

BUDGET ADVISORY COMMITTEE
December 16, 2002

1. ROLL CALL

The meeting was called to order at 5:44 p.m. by Chair David Brown. Committee members present were Scott Spages and Dr. Bob Preziosi. Also present were Council member Tom Truex and Carol Menke, Acting Budget and Finance Director. Dan Barr arrived at 5:54 p.m.

2. APPROVAL OF MINUTES

Chair Brown suggested a change to item 3.1 in the draft minutes of the November 18, 2002, meeting. Scott Spages made a motion, which was seconded by Bob Preziosi, to approve the minutes of November 18, 2002, as amended. **(Motion passed 3-0).**

3. OLD BUSINESS

3.1 FY 2001 Financial Statement Update. Chair Brown welcomed Council member Truex to the meeting and gave a brief overview of some of the current BAC projects as well as some projects the BAC had worked on in the past, such as the 2000 census and the budget process projects. Chair Brown described the current investment project as attempting to determine if the Town has opportunities to move portions of the Town's funds to invest in places where it could be generating additional revenue without significantly increasing the risk. Chair Brown invited Council member Truex to speak to the committee members on his thoughts regarding the BAC.

Council member Truex thanked the BAC for inviting him. He said he believes the BAC is moving along the right track. He sees their role as being more involved in the process of projects, such as the budget, rather than focusing on individual numbers. He said he thinks the investment income project is an excellent idea for the BAC. He believes in looking for ways to spend less for more services.

Chair Brown commented that one of his priorities for the BAC was to look for ways to increase non property tax revenues to the Town, such as grants, fees, increases from the census count, etc. Council member Truex said he is very supportive of those types of projects. Chair Brown added that the BAC wants to give the Town Council the best information possible so that the Council would always have the information they needed in order to make their decisions. Scott Spages asked about the bond schedule that had been discussed at the last meeting and Ms. Menke apologized for forgetting it back at Town Hall. She told the Committee that she would make sure it was copied and available at the January meeting.

The Committee discussed that they have been severely hindered in their efforts this year because they have not been receiving quarterly reports or the financial statements because of the personnel situation in the Budget and Finance Department. Council member Truex told the Committee that he believes the Town needs to make it a priority to find a Finance Director and that he would bring the issue up at a Council meeting.

Chair Brown commented that the BAC members would soon be starting their involvement with the annual budget process again and that they would be working with the same departments as they had last year.

3.2 FY 2003 Capital Plan Projects. The Committee discussed the projections of downstream operating expenses that are done when a capital project is considered and approved and would like to have a method of evaluating if those projections are accurate. For example, the Town just completed the Potter Park PAL facility and is the Town going to evaluate what the actual costs are turning out to be against what the projections had been. Chair Brown commented that it is more a process question as to how projections are done to encourage capital projects to have good estimates with them of future operating expenses and to thereby have good information to compare to peers.

Council member Truex agreed that it is important to know about ongoing maintenance projections. For example, he commented that he would be interested to see what the operating expenses are projected to be for the new Town Hall project proposed in the 5 year capital plan. The Committee briefly discussed the proposed Town Hall project.

3.3 Advisory Board Report. Chair Brown advised the other members that he had not had the opportunity to draft the report yet but said he would have it at the January meeting. Chair Brown reminded everyone that this was the last meeting at the Nova library, that starting with the January meeting the Committee would be meeting in the Pioneer Room at Town Hall again. Chair Brown requested that the other members write up their comments from the BAC's work this year for inclusion in the advisory board report and e-mail them to Ms. Menke prior to the next meeting. Council member Truex left the meeting.

4. NEW BUSINESS

4.1 Investment Review. Ms. Menke distributed copies the memo she had written to Mr. Cohen on this topic based on the request of the BAC at the November meeting and copies of Mr. Cohen's response. Chair Brown found it unacceptable that Mr. Cohen's memo did not include a specific timeframe for the project. The Committee discussed the project and Chair Brown requested that each member call two or three other cities and ask what they do and how their investments are administered and request copies of their written investment policies. Bob Preziosi questioned what the Committee would be using the investment policies for. Chair Brown said he thought they would be useful to identify whether or not there are options available for earning more than the Town currently is earning at the State Board. The Committee requested that Ms. Menke provide them with the Town's current investment policy, which Ms. Menke said needs to be updated to comply with the most recent changes in the State's requirements, and with a copy of the State Statutes. The Committee also asked Ms. Menke to draft up the questions for the members to ask the other cities when they call. Ms. Menke agreed with the Committee's request.

5. COMMENTS AND/OR SUGGESTIONS

Ms. Menke distributed a memo prepared by Davie's Town Clerk which discussed the projected election costs for the March 2003 election and compared those costs to the costs of

previous elections. The Committee members discussed the dramatic increase in costs resulting from actions taken by the Broward Supervisor of Elections office. It was noted that the precinct charges went from \$250 per precinct to \$500 per precinct and the number of precincts have also increased from 25 to 42. There was also a question as to what type of training was being received under the training line item. Scott Spages asked if the Town had any of its own precinct maps made up to distribute to residents or if the Town relied strictly on the County precinct map.

The Committee discussed that it would like each Council member to attend at least one of their meetings each year. After a brief discussion it was decided that Dan Barr would invite Geri Clark to the January 13th meeting. Ms. Menke let the Committee members know that she would not be at the January meeting, that she had asked Mr. Cohen, the Town's Assistant Town Administrator to attend the meeting in her absence.

6. ADJOURNMENT

There being no further business, a motion was made by Scott Spages, seconded by Dan Barr, to adjourn the meeting. (Motion passed 4-0). The meeting was adjourned at 6:50 p.m.

Approved

Chair/Committee Member